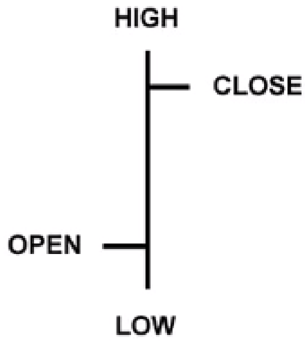
Sniper Course: Field Navigation

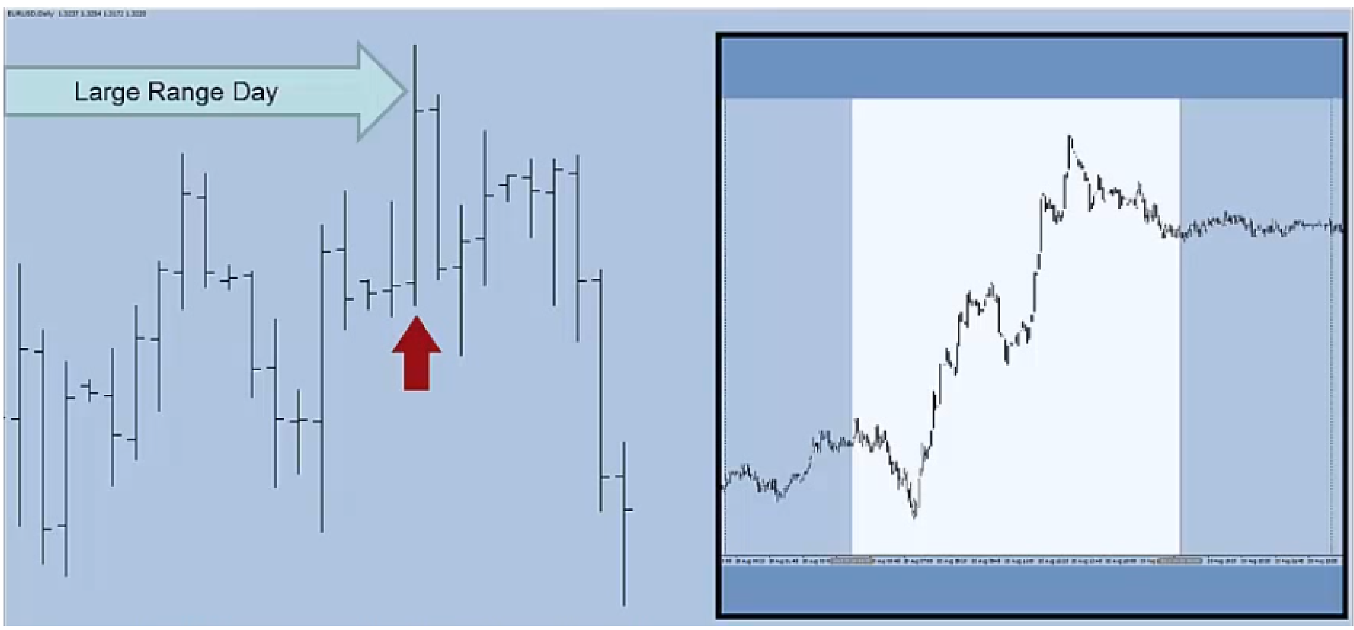
Sunday, September 15, 2013 1:23 PM

- Major reaction levels occur around annual highs & lows (yearly), quarterly highs & lows (find the highest high and lowest low on a 3 month calendar year basis), monthly highs & lows, weekly highs & lows, and intraday highs & lows.
- Swing points are very strong patterns. You want to notice the open, high, low, & close for all 3 bars in the pattern. Those are the data points you want to have whenever you notice a swing high or low on the daily chart.
- Write down key levels in your notes so you don't have to have every single level on your chart making it cluttered.
- DO NOT look for a trade or a trading pattern on your intraday charts unless it is trading at a higher time frame support, resistance, or reaction level. The trade has to be formulated and framed around a level you had already arrived at on the higher time frame charts.
- When using the daily and 4 hour charts, it is going to take time for price to get to these levels.
- The market makes its high or low for the week in the first few days of trading. Generally by Tuesday London Open. Wednesday would be the last cusp of when it should be formed.
- When you are overall bearish or bullish based on the higher time frames, you wouldn't be expecting a large retracement in order to get in sync with the trend.
- The interest rate market is basically the market that controls every asset market that there is.
- Interest rates are the driving force whether you are a stock trader, commodity trader, oil trader, etc.
- For FX purposes the 10 year yields are sufficient.
- barchart.com > select a commodity > 10 year t-note > pick the highest month > daily nearest > 1 year
- There are means of discerning where the higher level tide is.
- Where is the money flowing? Into or out of currencies?
- If we understand the interest rate market, we have everything laid at our feet.
- If we see price trade lower on the daily nearest 10 year t-note chart that is telling us that the bond yields are going up.
- If you want to be a buyer of currencies (Fiber for example), as the yields go higher, foreign currencies are going to chase that.
- When the 10 year t-note is trading lower, you want to be a buyer of currencies (Fiber).
- If we see price on the 10 year t-note trade lower and then rally up into a spot of previous resistance and OTE, then we could reasonably expect the Fiber to rally.
- You can draw Fibs on barchart.com if you are a free member (I haven't found this yet).
- For yields of that 10 year t-note go to Bloomberg and look at the chart of the USGG10YR:IND with a years worth of data. They should be mirror images of each other.
- When the yields are going up overall, you should risk the maximum 2% on buys and should risk less than the maximum on sells in the Fiber.
- If the Euro futures contract is trading lower while the yields are going higher, it is suspect. Especially if it has taken out previous lows. Expect a rally soon afterwards.
- The large moves that go with the interest rates are the ones that you want to be participating in.
- Look for clear, discernible reasons for the yield market to be turning (i.e. obvious divergence in the yield triads).
- The currency markets chase yield. If the yields are dropping they are going to follow them and drop as well. If it's going up, it is going to be following that as well.
- Trades should be built on a premise of at least 3 time frames.

Position Trades: Monthly, weekly, daily
Swing Trades: Daily, 4 hour, 1 hour
Short Term Trades: 4 hour, 1 hour, 15 minutes
Day Trades and Scalps: 1 hour, 15 minutes, 5 minutes



- On large range days, the open is on the opposite side of the daily range than the close. The open will be near the low of the day and the close will be at or very near the high of the day.
- If you are bullish, you want to be looking at the opening price as your filter. You want to be buying as close to that or lower as you can and not much higher.
- Price does not spend a whole lot of time monkeying around the open price. On an up day, if it goes down, it is only going to go down briefly and a short distance. It might be blowing out some stops or retesting an old consolidation.
- On a down move, the open will be very close to the high and the close will be very close to the low.
- The low is formed briefly on up days and the high should be formed near 15:00 GMT and 16:00 GMT.

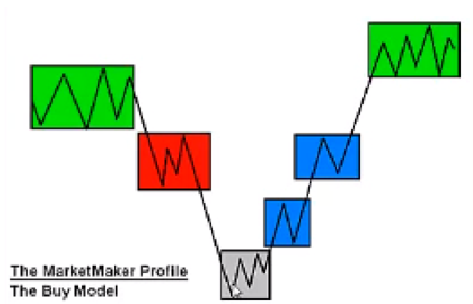


- The FOMC interest rate announcement generally happens later in the day when nobody should be trading at that point anyways.
- It is good to start hunting at the Frankfurt opening around 2:00AM EST.
- If you haven't established a position by 5:00AM EST, then you should close up shop for London Open trading. Take a nap and come back right before 7:00AM EST (6:30AM EST).
- Many times the New York Open moves are starting at about 7:00AM - 7:30 AM EST.
- 80% of the time trades are closed at 15:00 GMT - 16:00 GMT unless all objectives are being blown out for the day then close up shop at 18:00 GMT.
- The London Open kill zone can have setups stalked from 6:00GMT - 10:00GMT. You can use the Asian Range indicator with these parameters to study that time frame more and highlight it in your charts.
- The New York Open kill zone is 12:00GMT - 15:00GMT.
- Look at the highs and lows that form during these sessions.
- If you are a London Open trader and you miss the New York session, you can be cheating yourself because many times the New York session gives you an opportunity to get in sync with a trade if you missed it during London Open.

Region	City	Open (EST)	Close (EST)
Europe	London	3:00 am	12:00 noon
	Frankfurt	2:00 am	11:00 am
America	New York	8:00 am	5:00 pm
	Chicago	9:00 am	6:00 pm
Asia	Tokyo	7:00 pm	4:00 am
	Hong Kong	8:00 pm	5:00 am
Pacific	Sydney	5:00 pm	2:00 am
	Wellington	5:00 pm	1:00 am

Comdolls: currencies that can be traded as a futures contract.

- In the market maker buy model, markets often enter a trading range environment and then trade down into some kind of level of support. It should then bounce (wait for confirmation) and then retest support levels to get long and take out the highs above the first green consolidation.
- The market maker buy model is very efficient on the 4 hour, 1 hour, 15 minute, & 5 minute basis.
- Many times you will see stochastic, macd, CCI, etc. divergence in the grey area below.



- You want to see the market structure break after price clears out the orders that stack around key levels.

